COMINCO EXPLORATION 700-409 Granville Street/Vancouver, B.C./Canada V6C 1T2/Tel. (604) 682-0611/Telex 04-507730/Fax (604) 685-3069

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Comingo Exploration

A Division of Comingo Ltd.

168 > Muskwakachita + Rabbit

Rick Conti,
Assistant Director, Operations.
Ministry of Unemployment and Investment,
Mineral Titles Branch,
302 865 Hornby Street,
Vancouver, B. C.
V6Z 2G3

March 05, 1998

Dear Sir:

MINERAL TITLES BRANCH
Rec'd.

MAR 0 6 1998

L.I.#
File /38,25-03-334

VANCOUVER, B.C.

Re: Letter of notice of rejection of Assessment Report 25207, your file number 13825-03-334. February 5, 1998.

Cominco has decided not to re-submit the report with the amendments requested. Subsequent to writing the report, the company has reluctantly decided that it is no longer interested in working this nor the companies other 15 claim blocks now within the confines of the newly established Muskwa-Kechika Management Zone. Regrettably, this area of the province and the Cominco's holdings represent some of the best stratigraphy in the province to host a world class base metal orebody.

The establishment of the management zone with poorly developed definitions of off-tenure regulations and restrictions has provide little confidence to proceed with any further investment in this area. The promotion given by the government of the Management Zone has imparted a public image of a protected area that will make future exploration and mining development problematic if not impossible.

In personal correspondence between this office and that of Minister Dan Miller (February 11, 1998), the Ministry of Employment and Investment has stated that it would like Cominco to continue work in the region. However, efforts to obtain information ensuring security of tenure and future mine development from his office (via Rob Kelly, Ministerial Assistant) have failed. The simply Facts Sheet issued at the time of the announcement of the Zone is not legally sufficient to establish confidence in investing further resources in the area.

As the deadline for re-submission of the report is today, I can assume the work credit for expenses incurred on Rabbit claims described in Assessment Report 25207 has been canceled.

Yours truly.

Steve B. Noakes Technical Services Co-ordinator

